

**EXHIBIT E**

3/2/04

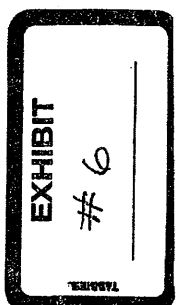
James P. Walle  
Delphi World Headquarters  
Legal-Environmental Staff  
5725 Delphi Drive  
Troy, MI 48098-2815

Dear Jim,

I am writing to inform you of a situation which currently exists at Kettering Operations.

Friday afternoon, 2/13/04, at the Chemical Treatment Plant (CTP) we discovered a leak at the base of one of our two 75,000g, steel construction, chrome treatment tanks. These two tanks are used to collect chromium wastewater from the platers in the plant. I've been the supervisor at this facility for over 20 years. These tanks receive chromium continually and there is no backup. Consequently, while many of our other tanks have been drained, cleaned, sandblasted, and recoated several times during the last 25 years, these tanks have been in continual service. Consequently, Friday afternoon we were faced with a decision, shutdown this tank, in turn idling most of Kettering Operations, our customers plants, send up to 1200 employees home, or find a way around this problem. After discussions with my 1<sup>st</sup> and 2<sup>nd</sup> shift Crown operators, Frebco plumbers, and Onyx personnel, I made the decision to have Frebco install temporary plumbing in order to empty and utilize a sludge storage tank as a replacement chrome treatment tank. This involved a plumbing bypass, temporary hosing and pumps, and additional man-hours for Crown, Onyx, and Frebco. The work was completed on Saturday thru Monday and we began using the bypass on Tuesday morning. Additional staffing during this period was required and should be maintained until repairs are completed. It was entirely my decision. My supervisor, Mark Gooding, does not involve himself in the day to day operations of the CTP, and has in fact visited the CTP once in the last 18 months prior to this tank failure. Mark has no background in environmental management, is not a CHMM, nor does he have any experience in wastewater treatment.

I informed Mark what was happening on Tuesday morning. My 1<sup>st</sup> and 2<sup>nd</sup> shift Crown operators have collectively 7 months experience between them. Being contract personnel, they could not take the responsibility to make this decision and implement this bypass. I believe the temporary bypass I designed, which is working successfully, has literally saved Delphi millions of dollars in lost revenue and wages, and that no one else had the experience and knowledge of the CTP to devise this bypass. We receive an average 100,000g of chromium wastewater per day containing a range of hexavalent chrome between 150 parts per million (ppm) to 5000 ppm. Since tanker trailers only hold 3000g, trucking 33 tankers per day to an offsite treatment facility, even if we could find one that could handle the volume (I don't believe one exists) was not an option. This bypass was our only option. We had riggers and tank inspection personnel in on Thursday and Friday to clean, grind and test the tank bottom where the failure occurred. The tank was originally coated with epoxy, and the coating on the bottom third of the tank is gone.



The failure occurred in two locations, at the radius where the wall and bottom join, on the southwest and northwest sides. The failure was due to tank corrosion since the original coating has failed. The second tank is most likely in the same condition. Mark visited with Jo Anne Rau at the treatment plant on Friday, 2/20/04. Repairs were scheduled to begin on Monday, 2/23/04, the first day of my suspension, which I will discuss later. I believe this suspension was a direct response to my insistence upon around the clock staffing during repairs, and more complete repairs, not a Band-Aid. Mark repeatedly questioned me this week as to why I needed 2 Onyx personnel to man the pumps, and additional Crown staffing. Mark was deliberately pressuring me to cheapen repairs below what was necessary and safe. He also insisted that we not recoat the entire inside of the tank but only the bottom third and those spots which were visibly damaged. Whether or not the second tank will be drained and inspected is an open question. Kettering Operations is losing money, and plans to exit the chrome plating business in approximately three years so there is a great deal of pressure to minimize repairs.

I need to emphasize again that these tanks have been in operation for over 25 years, and there is likely coating failure and corrosion higher up the walls. There is every reason to believe that the second tank is in the exact same condition as the tank which failed since they have both been in uninterrupted, identical service for 25 years. These tanks contain hexavalent chromium. They are located approximately 150 feet west of Woodman Drive north of Dorothy Lane. Should we experience a catastrophic failure when the tank is full (the most likely time since that's when the bottom is subject to the most pressure) there would be no way to stop this liquid from rolling downhill towards Woodman Drive. There is a six foot high retaining wall around the tanks, but the tanks are 22 feet tall, and the retaining wall has construction joints in it, so it won't hold water anyway. Standing on top of the tanks, it is easy to see how the water would roll southeast and down to Woodman Drive and to the creek that borders Delphi on the south. A release of 75000g of untreated hexavalent chromium waste would cause significant soil and groundwater contamination. This is a significant risk to the corporation, to the neighborhoods of east Kettering, and to the area groundwater.

On Friday afternoon, 2/20/04, I was suspended with pay and benefits for the stated reason of an ongoing investigation concerning Onyx corporation, involving my rental of a trash gondola for yard waste from a recently purchased residence I was remodeling, and the inadvertent return of the box containing my trash to Kettering Operations by the driver. The Onyx driver was interviewed by the investigator and took full responsibility for returning the box to Delphi instead of the landfill. I had previously met with the investigator, on Monday 2/16/04, answered his questions truthfully, and supplied him signed statements from two witnesses regarding my conversation with the Onyx driver and the undisputed fact that I was paying in full for the disposal of this waste. Even though I had done nothing wrong, on the afternoon of 2/20/04, I was called to Mark's office and told that I was being suspended. Earlier that same day, Mark and I had disagreed on the course of the repairs to the damaged tank. He repeatedly questioned me as to why it was necessary to staff the treatment plant around the clock with Crown and Onyx personnel. My position was that this was an unprecedented situation, with pumps and hoses transferring hexavalent chromium to a tank not designed for this purpose with hoses running along the catwalks outside of any containment. Furthermore, we had not at that time completed any thickness testing on the tank walls and bottom to determine the overall condition of the tank

apart from the two known failures. Mark was insistent that we only repair the visible failures, and only recoat the portions of the tank where the coating was completely gone. I was in complete disagreement since this coating was 25 years old, and we had every reason to believe that additional coating failure and corrosion existed higher up on the tank wall, due to the presence of wall blisters and rust flaking on the tank mixing vanes. Mark stated that since Kettering Operations was going to exit the plating business in three to five years, we needed to reduce repair costs. The repairs were scheduled to begin on Monday morning, 2/23/04, simultaneous with the first day of my suspension. I have been informed that a co-workers, Jerry Lee, on Monday, 2/23/04, told the CTP plant personnel that he was now in charge, that Joe would not be returning, and that he was immediately reducing the staffing for this environmental hazard. Jerry's background is in facilities and he has no training or experience with wastewater treatment. Additionally, I am informed that the "quick fix" repairs ordered by Mark Gooding will be completed this week, and both tanks returned to normal service without any scheduled inspection or repairs to the second tank. This is a dangerous situation, and represents a significant ongoing liability to the corporation, our residential neighbors, and the soil and groundwater of the community.

The purpose of this correspondence is to advise Delphi (through your office) that:

1. The subject chemical treatment plant tanks constitute a serious environmental threat and hazard to the environment, to the involved Delphi employees, and to the nearby residents;
2. Delphi employee Mark Gooding is not qualified to deal with this environmental hazard, has intentionally cut the necessary staffing, and has disregarded the repairs necessary for full compliance with applicable health, safety, and environmental rules and regulations;

and,

3. My own suspension from Delphi employment was initiated by Delphi employee Mark Gooding to facilitate his plan to circumvent and ignore applicable health, safety, and environmental rules and regulations.

Very truly yours,

Joseph Reno